

✓ BKK

FILED

2005 APR 26 A 8:35

PUBLIC UTILITIES  
COMMISSION

BEFORE THE  
PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of	)	
	)	
HAWAIIAN ELECTRIC COMPANY, INC.	)	DOCKET NO. 04-0113
	)	
For Approval of Rate Increases and	)	
Revised Rate Schedules and Rules, and for	)	
Approval and/or Modification of Demand-	)	
Side and Load Management Programs and	)	
Recovery of Program Costs and DSM Utility	)	
Incentives.	)	

DEPARTMENT OF DEFENSE'S FIFTH  
SUBMISSION OF INFORMATION REQUESTS  
TO HAWAIIAN ELECTRIC COMPANY, INC.  
  
AND  
  
CERTIFICATE OF SERVICE

RANDALL Y.K. YOUNG  
Associate Counsel (Code 09C)  
Naval Facilities Engineering Command, Pacific  
258 Makalapa Drive, Suite 100  
Pearl Harbor, HI 96860-3134  
Telephone (808) 474-5514  
  
ATTORNEY FOR  
DEPARTMENT OF DEFENSE

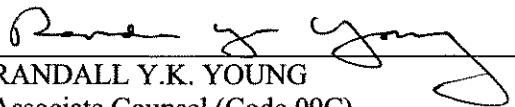
BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF HAWAII

In the Matter of the Application of	)	
	)	
HAWAIIAN ELECTRIC COMPANY, INC.	)	DOCKET NO. 04-0113
	)	
For Approval of Rate Increases and	)	
Revised Rate Schedules and Rules, and for	)	
Approval and/or Modification of Demand-	)	
Side and Load Management Programs and	)	
Recovery of Program Costs and DSM Utility	)	
Incentives.	)	
	)	

DEPARTMENT OF DEFENSE'S FIFTH  
SUBMISSION OF INFORMATION REQUESTS  
TO HAWAIIAN ELECTRIC COMPANY, INC.

COMES NOW, DEPARTMENT OF DEFENSE ("Applicant") by and through its undersigned attorney, and hereby submits its Fifth Submission of Information Requests to Hawaiian Electric Company, Inc. ("HECO").

DATED: Honolulu, Hawaii, April 26 2005.

  
\_\_\_\_\_  
RANDALL Y.K. YOUNG  
Associate Counsel (Code 09C)  
Naval Facilities Engineering Command, Pacific  
258 Makalapa Drive, Suite 100  
Pearl Harbor, HI 96860-3134  
Telephone (808) 474-5514

ATTORNEY FOR  
DEPARTMENT OF DEFENSE

DOCKET NO. 04-0113  
DEPARTMENT OF DEFENSE'S FIFTH  
SUBMISSION OF INFORMATION REQUESTS  
TO HAWAIIAN ELECTRIC COMPANY, INC.  
INSTRUCTIONS

In order to expedite and facilitate Department of Defense's review and analysis in the above matter, the following is requested:

1. For each response, HECO should identify the person who is responsible for preparing the response as well as the witness who will be responsible for sponsoring the response should there be an evidentiary hearing;
2. Unless otherwise specifically requested, for applicable schedules or workpapers, HECO should provide hard copies of each schedule or workpaper together with one copy of each such schedule or workpaper on electronic media in a mutually agreeable format (e.g., Excel and Quattro Pro, to name two examples); and
3. When an information request makes reference to specific documentation used by HECO to support its response, it is not intended that the response be limited to just the specific document referenced in the request. The response should include any non-privileged memoranda, internal or external studies, assumptions, HECO instructions, or any other relevant authoritative source which HECO used.
4. Should HECO claim that any information is not discoverable for any reason:
  - a. State all claimed privileges and objections to disclosure;
  - b. State all facts and reasons supporting each claimed privilege and objection;

- c. State under what conditions HECO is willing to permit disclosure to Department of Defense (e.g., protective agreement, review at business offices, etc.); and
  - d. If HECO claims that a written document or electronic file is not discoverable, besides complying with subparagraphs 4(a-c), identify each document or electronic file, or portions thereof, that HECO claims are privileged or will not be disclosed, including the title or subject matter, the date, the author(s) and the addressee(s).
5. Please provide each response in electronic format (if available) as well as paper. Please provide two copies of each response, with one copy going directly via overnight delivery to Department of Defense's consultant at the following address:

Mr. Ralph Smith  
Larkin & Associates  
15728 Farmington Road  
Livonia, MI 48154  
Telephone No.: 734-522-3420  
E-mail: RSmithLA@aol.com

and the other copy going directly via overnight delivery to:

Dr. Kay Davoodi  
Utilities Rates and Studies Office  
NAVFAC Washington  
1314 Harwood Street, S.E.  
Washington Navy Yard, DC 20374-5018  
Telephone No.: 702-685-3319  
E-mail: Khojasteh.Davoodi@navy.mil

DEPARTMENT OF DEFENSE'S FIFTH SUBMISSION OF INFORMATION  
REQUESTS TO HAWAIIAN ELECTRIC COMPANY, INC.

DOCKET NO. 04-0113

The following information requests are directed to HECO.

DOD/HECO-IR-5-1    Emission fee. Please show exactly how the \$246,000 normalization adjustment was calculated based on the annual emission fees listed on page 2 of the response to CA-IR-183. Include all supporting calculations.

- a. Please provide the forms submitted by HECO to the Hawaii Department of Health, Clean Air Branch relating to the 2005 fee.
- b. What total amount of emission fees has HECO included as expense in the 2005 test year after the \$246,000 normalization adjustment?

DOD/HECO-IR-5-2    Customer Accounts. Refer to CA-IR-484.

- a. Are the overtime hours included within the productive hours? If not, explain why not.
- b. What were the corresponding budgeted (or forecast) productive hours for these RAs individually and in total for each year, 2001-2004?
- c. What were the corresponding budgeted (or forecast) overtime hours for these RAs individually and in total for each year, 2001-2004?
- d. Provide a detailed itemized description of the additional work embedded in the 2005 forecast that causes that forecast to exceed the actual work hours for these RAs in each year in the 2001-2004 period.
- e. Please provide the related labor and overtime dollars for each year that correspond with the productive and overtime hours listed on CA-IR-484, page 2.
- f. Please provide comparable productive hour and overtime hour figures for 2005 actual through the most recent month end.

DOD/HECO-IR-5-3    Customer Accounts contract labor. Refer to CA-IR-485.

- a. Please provide comparable contract labor cost for 2005 actual through the most recent month end.

- b. Please explain in detail how the HECO Customer Accounts function was able to operate adequately during each year in the 2001-2004 period at the historical level of contract labor costs listed.
- c. Does HECO have contracts for its contract labor expense? If not, please explain fully. If so, please provide copies of the contracts HECO has for the 2005 forecast amount.

DOD/HECO-IR-5-4 HECO lost margin. Refer to CA-IR-306

- a. Please identify the "lost margin" as calculated by HECO for each year, 1996 through 2004.
- b. Based on HECO's response to CA-IR-306, is HECO projecting "lost margin" of \$3,064,823 for 2005? If not, explain fully, identify the amount of lost margin HECO is projecting for 2005, and show in detail how that amount of lost margin was calculated.
- c. Based on HECO's response to CA-IR-306, is HECO also projecting "lost margin" of \$3,064,823 for 2006? If not, explain fully, identify the amount of lost margin HECO is projecting for 2006, and show in detail how that amount of lost margin was calculated.
- d. Please show what the amount of "shortfall embedded in base rates" is for 2005, and also show in detail how that amount was calculated.
- e. Please show annually how the amount of lost sales, lost revenue, and lost fixed cost contribution were determined, from inception through the 2005 amount that HECO thinks is embedded in base rates.

DOD/HECO-IR-5-5 HECO T-11, Evaluation Costs. Refer to CA-IR-316.

- a. Please provide actual annual evaluation costs for 1996-2004.
- b. Please provide the annual forecast evaluation costs for each year that were summed and divided by 5 by HECO.
- c. To the extent that the five-year average of projected evaluation costs provided in response to part b exceeds the rolling five-year average of evaluation costs for any five year period provided in response to part a by more than 10%, please explain the difference.

DOD/HECO-IR-5-6 Miscellaneous Revenue, Gains on property sales. Refer to CA-IR-332. Please indicate, for each of the following Gains from Disposition of Property Gains Currently Being Amortized, how many months of amortization HECO reflected in its filing for the 2005 test year:

- a. Emma Sub, amortization period Feb05 – Jan 2010

- b. Lilipuna, amortization period Apr 00 – Mar 05
- c. Iolani Court, \$50,024, amortization Jan 05 – Dec 09
- d. Iolani Court lease premium \$758, amortization period Jan 05 – Dec 09

DOD/HECO-IR-5-7 Miscellaneous Revenue, Gains on property sales, lease premium. Refer to CA-IR-332.

- a. Are the “lease premium” amounts shown, monthly amounts?
- b. Are the “lease premium” amounts shown, the totals for the entire 60-month amortization periods?
- c. If the answers to both a and b, above, are “no” please explain fully what the “lease premium” amounts represent.

CERTIFICATE OF SERVICE

I hereby certify that one copy of the foregoing FIFTH SUBMISSION OF INFORMATION REQUESTS was duly served upon the following parties, by personal service, hand-delivery, and/or U.S. mail, postage prepaid, and properly addressed pursuant to HAR sec. 6-61-21(d).

William A. Bonnet  
Vice President, Government and Community Affairs  
Hawaiian Electric Company, Inc.  
P.O. Box 2750  
Honolulu, Hawaii 96840


Patsy H. Nanbu  
Director, Regulatory Affairs  
Hawaiian Electric Company, Inc.  
P.O. Box 2750  
Honolulu, Hawaii 96840

Thomas W. Williams, Jr., Esq.  
Peter Y. Kikuta, Esq.  
Goodsill Anderson Quinn & Stifel  
1800 Alii Place  
1099 Alakea Street  
Honolulu, Hawaii 96813

Department of Commerce and Consumer Affairs  
State of Hawaii  
Division of Consumer Advocacy  
335 Merchant Street, Room 326  
Honolulu, Hawaii 96813

6 Copies

DATED: Honolulu, Hawaii, April 26, 2005

  
RANDALL Y.K. YOUNG  
Associate Counsel  
Naval Facilities Engineering Command,  
Pacific